



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

April 26, 1983

Mr. Kent Dahlquist
Mining Engineer
Union Carbide Corp.
LaSal, Utah 94530

RE: The Deremo Mine
ACT/037/046
The Redd Block Four Mine
ACT/037/046
San Juan County, Utah

Dear Kent:

The Division has completed an initial assessment of the mine plan status for the above referenced mines. During the review a few questions or situations were uncovered which need attention.

The Deremo Mine:

1. What has been the actual current (1982-1983) production of water from the mine? Estimates of suspected amounts are all that are on file.
2. For continued development Union Carbide committed to preserving and stockpiling soil from beneath extensions of waste rock piles. Has this been done? If so where is it stockpiled?
3. Is it a correct understanding that mining activity (development) has been on hold since March 4, 1981? This type of "hold" may be considered a suspension even though fans and pumps may still be in operation under MSHA rules. Could you describe the actual status please?

Redd Block Four Mine:

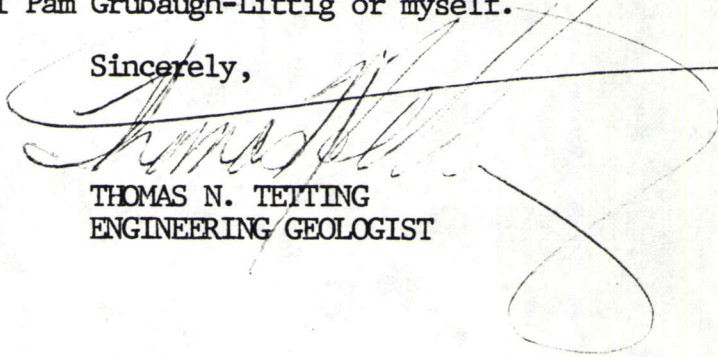
1. What depth is the well on site and what is the geologic-hydrologic relationship to the ore producing formation, i.e. proposed mining activity? Has current mining from the Hecla or Beaver mines precluded the need for the surface facilities at Redd Block Four?

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2. The Division performed an inspection of the minesite in May of 1982. It was in accordance with Rule M-7 of the Mined Land Reclamation Act that this inspection was conducted. However at that time a notice that an additional period of suspension be granted was never sent to you. This letter should serve in that capacity. In concert with the Division's policy of establishing a two year inspection period for this purpose the date of notice may be taken as of May, 1982 to correspond with the date of actual inspection.
3. Although the February, 1982 updated map is the most detailed information the Division has seen on this minesite the extent of proposed disturbance (22 acres) has not been "roughed-out". A prior request by the Division has brought out the need to have estimates of the type and amount of proposed disturbance for surety calculations. Could the same request for additional costs be made for the Redd Block Four?

I hope that these concerns will not cause you too much consternation or delay the finalization of the surety redevelopment plan. As always, should you have any questions please call Pam Grubaugh-Littig or myself.

Sincerely,



THOMAS N. TETTING
ENGINEERING GEOLOGIST

TNT/mn

cc: Pam Grubaugh-Littig